



**CALIFORNIA
HIGH-SPEED RAIL
AUTHORITY**

BRIEFING: BOARD MEETING AGENDA ITEM #6

TO: Chairman Umberg and Authority Board Members

FROM: Gregg Albright, Planning Manager PMT

DATE: 12/30/2011

RE: HST Station Area Development Activities

Discussion

At the February 3, 2011 Authority Meeting, the Board adopted the “High-Speed Train (HST) Station Area Development Policies” which recognizes the importance of development around station sites for strengthening local economies, promoting HST ridership and improving the financial performance of both local municipalities and the overall HST system. With the development of high-speed rail, California has unprecedented opportunity to enhance the livability and fiscal conditions of its communities, and improve mobility for people throughout the state. However, it is only through local leadership on station area planning and transportation investments that regions can fully realize the opportunities and benefits of high-speed rail.

Due to very challenging budgetary times, many local governments financially could not undertake extensive long term planning out of their own general funds. Therefore, the approved policy provided the Authority the opportunity utilize Proposition 1A funding for station area planning in an amount limited to no more than 40% of the total cost of the planning effort, not to exceed \$200,000. Additionally, the Federal Railroad Administration (FRA) has allocated a total of \$4,500,000 to support HST station area planning. A maximum of up to between \$400,000 and \$700,000 in federal ARRA funding is available to an individual jurisdiction for its station area planning process, depending upon city/station size.

This planning process enables the Authority and local jurisdictions to work together to ensure that the station, surrounding area, and local transportation networks are planned to work together to maximize the economic, mobility, environmental, and other benefits of the HST stations. Local governments will focus on land use development policy in the area around the station and local/regional transportation, while the Authority is committed to utilizing its resources, both financial and otherwise, to assist the implementation of the station area development and transportation plans created by this process.

Context and Opportunity

High-speed rail service will bring transformative accessibility to the downtowns of cities with stations. The true potential of high-speed rail to benefit an entire region will only be realized when local and regional governments develop integrated transportation systems that extend the stations’ accessibility benefits to surrounding neighborhoods and cities through high quality transit connections to the station. Much of the Authority’s work has been focused on the engineering:

ensuring the rail system meets internal performance requirements and is constructible and environmental disclosure: discovering, disclosing, and mitigating potential negative impacts. The station area planning process expands the Authority's conversation with stakeholders in that it is about how to maximize the economic, social, and environmental benefits of high-speed rail to both station cities and their surrounding neighbors, while improving high-speed rail ridership and revenue.

Experiences in many countries across the world have shown that localities and regions that proactively enable, guide, and support economic development around their high-speed rail stations can bring their cities, residents, and local transit operators multiple economic, environmental, and public health benefits. The Vision California "Charting Our Future" report¹ in its "Growing Smart" scenario modeled the benefits to Californians of developing around the state's high-speed rail system:

Cities' economic benefits include:

- Increased local revenue through revitalized city centers, with higher property values and investment in structures increasing revenues an estimated \$2.7 billion per year
- Much reduced local infrastructure costs for new growth, with savings to build, operate, and maintain local infrastructure of \$4.3 billion annually, or \$47 billion by 2050

Local and regional transit operators' benefits include:

- Creates a high-volume origin/destination in the downtown where transit is most competitive, improving ridership and operating revenue
- Increased employment and residential growth in the downtown and surrounding areas will increase transit demand, improving ridership and operating revenue
- A highly identifiable need for travel to/from a high-speed rail stations can increase local support for improved transit infrastructure and services

Residents' economic and health benefits include:

- Transportation and utility savings from more efficient development pattern, saving an estimated of \$7,250/year per household
- Estimated reduction in the total number of air quality caused health incidents by 27% (142,800 incidents/year) by 2050, saving \$1.9 billion in health costs annually.
- Reduced local tax burden, due to the estimated \$7 billion a year improvement in local finances (annual \$4.3 billion of savings plus \$2.7 billion of increased revenues)

Land and water savings include:

- The loss of 3,750 square miles of agricultural, natural and other lands avoided by 2050
- Savings of nearly one million acre feet of residential water per year by 2050

Status of current Station Area Planning Projects

Traditionally, the development of new State funding programs can take a year or more to complete. To assist with this complex task, the Authority worked with the Department of General Services and the Department of Finance to organize and develop the entire funding mechanisms for the HST Station Area Planning program. Concurrently, the Authority enlisted the help of FRA and the State of California's Strategic Growth Council (SGC) to create general principles and guidelines for the program. The FRA recognizes the importance of progressive station area planning and contributed significantly to the Authority's policy development. See the attached "Station Area Planning for

¹ <http://www.visioncalifornia.org/Vision%20California%20-%20Charting%20Our%20Future%20-%20Report%20-%20June%202011.pdf>

High-Speed and Intercity Passenger Rail” report for additional background on FRA’s policy approach. The SGC’s sustainable community planning objectives emphasize the importance of coordinating land use and transportation decision-making and, as a result, they recognize the HST system is critical to the State’s smart growth policy objectives.

The Authority and the FRA prioritized the initial station area planning funding agreements for the following jurisdictions: Merced, Fresno, Bakersfield, Kings/Tulare region, Palmdale, San Jose, and Gilroy. Stations were selected, in part, due to their linkage with local and regional transit, airport, and commuter rail systems, and their future roles in the initial rail operations. The “Application Package for Station Area Planning Funds” was approved in February 2011 and distributed to the seven local jurisdictions in March of 2011.

The goals and objectives contained in the Station Area Planning Application Guide were created to encourage mixed use development around HST stations that also reflects the unique local context of each station, which is essential to the long-term success of the statewide HST system. The following is a brief update of the first seven station area planning projects.

Merced Station: Currently, the City of Merced is reviewing their Draft Station Area Funding Agreement. Once the funding agreement is finalized, the city will initiate their station visioning efforts for the area surrounding the preferred station site.

Fresno Station: City of Fresno has signed a Station Area Funding Agreement on December 30, 2011. Their application is supported by existing planning efforts to address sustainability, livable communities, and encourage public-private partnership investments through the development of the Fulton Corridor Specific Plan. The completed corridor plan is currently going through environmental review with adoption at the end of 2012.

Bakersfield Station: A draft application was received and reviewed in July 2011; however, in December 2011, the Kern Council of Governments (COG) has taken over as lead agency for the revised project application. Authority Staff has been providing technical assistance to the new project manager to create a new application. Kern COG, in coordination with the City of Bakersfield, will develop a multimodal transportation plan (within the station area).

Kings/Tulare Regional Station: The City of Visalia and the County of Tulare are coordinating with the City of Hanford and Kings County government staff to consider an application for the station area planning funding program. Representatives from Kings County and Tulare County are still in negotiations on the context of the planning study.

Palmdale Station: The City of Palmdale submitted a draft application in July 2011. The Authority has provided the City with comments from both the FRA and the Authority. The City is currently working on addressing those comments. The City hopes to create a vision plan that will guide development of the HSR station and its surrounding area.

San Jose Station: The City submitted a draft application in December 2011, for final review and comment. Currently, the FRA and the Authority are developing comments based on the latest application submitted. Since 2009, city staff has been working on the development of the Draft Diridon Station Area Plan. The plan has been completed and the City Council has reviewed the plan and approves it for environmental review. The Environmental Impact Report for the project is scheduled for completion for September of 2012. The goal for the station area planning funding is to build upon existing planning started by the City.

Gilroy Station: The City of Gilroy is currently reviewing their Draft Station Area Funding Agreement. The City of Gilroy’s HST Visioning Project (Phase I of their broader station area planning effort), is

largely concluded and Phase II, funded with State and Federal station area planning funding agreements, will cover development of a station area plan.

Not targeted for the initial station area planning efforts, the following is an update on key HST Station projects that are considered critical foundations for the entire HST system:

Transbay Terminal

Construction of Phase 1 of the Transbay Transit Center is underway. The Transbay Redevelopment Plan was adopted by the City of San Francisco in June 2005 and includes 40 acres surrounding the station. The goal of the plan is to transform vacant state-owned abandoned freeway property in downtown San Francisco into a thriving transit-oriented neighborhood. Adoption of the Transit Center District Plan in early 2012 will expand and complement the Redevelopment Plan.

Los Angeles Union Station Master Plan

The Authority staff are working closely with Los Angeles Metropolitan Transportation Authority (Metro) staff on a revised concept at Los Angeles Union Station. LA Metro is in the process of selecting a consultant to develop the Union Station.

Anaheim Station

The Authority staff are working closely with the city of Anaheim and the Orange County Transportation Authority on the dispersed parking plan at the proposed ARTIC station. Sixty-percent plans of the non-HSR portions of the ARTIC station have been developed.

Attachments:

Station Area Planning for High-Speed and Intercity Passenger Rail, by the U.S. Department of Transportation, Federal Railroad Administration, can be found at the following website:

http://www.fra.dot.gov/rpd/downloads/FRA_Station_Area_Planning_June_2011_c.pdf

California High-Speed Rail Authority: Application Package for Station Area Planning Funds, available on the California High-Speed Rail Authority website at:

<http://www.cahighspeedrail.ca.gov/>

Vision California "Charting Our Future" report, can be found at the following website:

<http://www.visioncalifornia.org/Vision%20California%20-%20Charting%20Our%20Future%20-%20Report%20-%20June%202011.pdf>